

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of:

Review of the Commission's Broadcast
and Cable Equal Employment
Opportunity Rules and Policies

MM Docket No. 98-204

Initial Regulatory Flexibility Analysis

Comments of the



On behalf of more than 930 independent cable companies, ACA submits these comments in response to the Initial Regulatory Flexibility Analysis ("IFRA") appended to the NPRM.¹ Together, ACA members serve more than 7.5 million cable subscribers. ACA members range from small, family-run cable systems to multiple system operators focusing on smaller systems and smaller markets. About half of ACA's members serve less than 1,000 subscribers. All ACA members face the challenges of building, operating, and upgrading broadband networks in smaller markets and rural areas.

¹ *In the Matter of Review of the Commission's Broadcast and Cable Equal Employment Opportunity Rules and Policies, Second Notice of Proposed Rule Making*, FCC 01-363, MM Docket No. 98-204 (rel. Dec. 2001), Appendix, "Initial Regulatory Flexibility Act Analysis".

ACA members share an important interest in the EEO proceeding. For many smaller companies, compliance with EEO outreach, recordkeeping, and reporting requirements imposes substantial administrative burdens and costs, and drains scarce resources from already lean budgets and staff.

To address the special circumstances of smaller cable companies, ACA proposes the following relief:

- An exemption from the EEO outreach requirements.
- Streamlined recordkeeping and reporting requirements under the proposed new rule.
- A streamlined Form 395-A.

This relief would apply to small cable companies serving fewer than 15,000 subscribers, based on the standard established by the Commission for small system rate regulation relief. In the alternative, ACA proposes that this relief apply to cable employment units with 10 or fewer employees. If the threshold is not increased, the impact on hundreds of small cable businesses would be severe.

The Regulatory Flexibility Act (“RFA”) requires the Commission in its initial regulatory flexibility analysis to describe the impact of the proposed rule on small entities.² The IRFA must contain a description of any significant alternatives to the proposed rule that would accomplish the stated objective of the statute and that would minimize any significant economic impact of the proposed rule on small entities.³ An

² 5 USC § 603(a).

³ 5 USC § 603(c).

example of an alternative includes an “exemption from coverage of the rule, or any part thereof, for such small entities.”⁴

The Commission has a statutory obligation to consider the impact any Commission action would have on small entities. Economic realities require the Commission to establish an alternative treatment for small cable companies. Because of the impact to small cable as discussed above and in ACA’s comments, the Commission must address these issues and include a comprehensive discussion of the impact its actions will have on small cable in its Final Regulatory Flexibility Analysis.

Respectfully submitted,

AMERICAN CABLE ASSOCIATION

By: _____ /s/ _____

Matthew M. Polka
President
American Cable Association
One Parkway Center
Suite 212
Pittsburgh, Pennsylvania 15220
(412) 922-8300

Nicole E. Paolini
Emily A. Denney
Cinnamon Mueller
307 North Michigan Avenue
Suite 1020
Chicago, Illinois 60601
(312) 372-3930

Attorneys for the American Cable
Association

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⁴ 5 USC § 603(c)(4).